



# Representative Andi Story

## Alaska State Legislature

Sponsor Statement  
House Bill No. 212 Version A  
(34LS0927\A)  
May 5, 2025

***“An Act relating to the local contribution made by a city or borough school district; and providing for an effective date.”***

Upon the draft recommendation of the Department of Education and Early Development (DEED), the Alaska State Board of Education and Early Development will consider a regulation change to 4 AAC 09.990(b), which will amend the definition of local contribution in AS14.17.990. Currently under Sec.14.17.990 Definitions, (6) states, “local contribution means appropriations and the value of in-kind services made by a district.” If passed by the State Board of Education, the draft proposal will have far-reaching implications for school districts by limiting services and opportunities for our youth.

The language presented to the Alaska State Board of Education and Early Development seeks to prohibit municipalities from making additional, voluntary contributions to their school district for non-instructional purposes and/or to designated non-operating funds. Districts have long received additional funding outside of the foundation formula limit through the local discretionary maximum also known as “the cap” for non-instructional expenses such as student transportation before and after-school programs, early childhood and pre-k education, career and technical education, nutritional services, student activities, and more. Additional revenues provided to local school districts to support programs, services, projects, and events deemed critical by the local communities is a long-held practice.

At a time when state-wide revenues continue to be stretched, many of our municipalities around the state have stepped up to support their community-wide schools beyond their required contribution mandated under the foundation formula. One of the concerns facing this bill is the lack of ability to raise revenue in our school districts that are most rural. I support equitable funding for all children, and we must find ways to ensure equity. However, this draft regulation will not do that. It is much more complicated. Some Rural Education Attendance Area schools (REAA) receive revenue which puts them in the top 95<sup>th</sup> percentile. Prohibiting a revenue source is not the solution to achieving equity for Alaska’s children and communities.

A school district’s operating budget funds the day-to-day instructional operations, legal obligations, and administrative duties of providing public education. However, a school district is much more than an instructional institution. It is the cornerstone of a community. This bill is about allowing local control in a municipality to fund programs and services that improve and preserve quality of life as needed. It is of utmost importance that we prioritize protecting any loss of services to children and their families particularly in this time of budget shortfalls. Without this bill, the funding crisis for some Alaska school districts stand to worsen as we head into the next few years, and so I urge your support of House Bill 212.

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